

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814



November 24, 1987

ALL COUNTY INFORMATION NOTICE NO. 1-107 -87

TO: ALL COUNTY WELFARE DIRECTORS  
ALL COUNTY COUNSELS

SUBJECT: CHILD WELFARE LEAGUE OF AMERICA  
FAMILY PRESERVATION REVOLVING LOAN FUND


This is to inform the counties of the availability of a Revolving Loan Fund sponsored by the Child Welfare League of America (CWLA). The CWLA is promoting innovative service programs aimed at preserving families during crises and preventing unnecessary placement of children into foster care by providing consultation and loans to selected public and private agencies to assist them in developing or expanding family preservation services.

Enclosed for your information are materials describing eligibility criteria and the application process. Counties are encouraged to share this information with local community private agencies that are currently operating or planning to develop a family preservation program.

Any questions regarding the CWLA Family Preservation Revolving Loan Fund should be directed to:

Joy Duva, Director  
Family Preservation  
CWLA  
440 First Street, N.W.  
Washington, D.C. 20001  
(202) 638-2952

Any questions regarding Child Welfare Services programs should be directed to your Adult and Family Services Operations consultant at (916) 445-0612.

  
LOREN D. SUTER  
Deputy Director  
Adult and Family Services

Enclosure

cc: CWDA

# CHILD WELFARE LEAGUE OF AMERICA, INC.

## FAMILY PRESERVATION SERVICES

### REVOLVING LOAN FUND

#### Question:

What is the purpose of the revolving Loan fund?

#### Answer:

To encourage the initiation and expansion of innovative family preservation services through loans which would assist agencies with temporary financing problems.

#### Question:

Who is eligible?

#### Answer:

- o Licensed public and private social service agencies in the United States and Canada.
- o Those agencies whose programs have or will meet the following characteristics:
  - 1) Case Selection - works primarily or solely with families whose problems are so severe that the children may need to be placed within 3-6 months, or families whose children may already be in care and could be returned within 3-6 months.
  - 2) Methodology - focuses on the family as a unit. In diagnosis and treatment individual development and adaptation are interpreted in the framework of the family group. The family is the client.
  - 3) Values - a) Seeks to preserve the original continuity of the family within their community. b) Sees the parents as needing to be the authority figures and in control of the family. Seeks to build this independence, not create dependency on the agency. c) Believes people want to be good parents and have the capacity to change. d) Believes every family has an actual or potential natural helping network which should be used to support them.

- 4) Duration - a) Services to families are of specific time-limited duration (brief to short term). They are not open ended. b) Follow up services are integral to service delivery.
- 5) Intensity - a) Agencies offer or broker a wide array of skills and services including, but not limited to, counseling, homemaker, recreation, education, day care, etc. b) Services are given in the frequency and amount needed. c) The family has open access to the worker; days, nights, weekends, holidays. d) Services are delivered at a time most convenient for the family, not the service provider. e) Because treatment is time-limited, problems are confronted immediately. Energy generated by the crisis is used as fuel for change.
- 6) Site - Services are delivered in the most appropriate setting, the family home or immediate community sites are preferable.
- 7) Advocacy - The agency is committed to advocacy for their individual families and to larger systems changes which will have a beneficial effect on the family.

In addition, the agency must be willing to share with the Child Welfare League and other agencies an evaluation of their program. We are interested in promoting agencies who would like to study what it is they have learned from their experiences in family preservation services, and be willing to share them with other agencies. The study need not be a complex research effort, but rather one in which the agency routinely gathers information and does some evaluation about the effectiveness of its services.

Question:

What would be the terms and conditions of the loan?

Answer:

- o Loans will be made within a \$50,000 to \$100,000 range.
- o Duration - loans will be given for 12 to 18 month periods.
- o Repayment will be on a monthly or quarterly basis, whichever the agency wishes.
- o An interest rate of not more than 1/2 of the prime rate will be charged.

- o The organization must furnish the Child Welfare League with adequate assurances of repayment. A) A plan for repayment identifying the source of funds to be used. B) A promissory note to repay signed by person or persons authorized to execute such a note. C) Audited financial reports.
- o Agencies must provide us with program descriptions which show how they meet the program eligibility requirement.
- o Program budgets must be provided.
- o There should be a discussion of how the agency plans to evaluate its program and to share the results with other agencies.

For further information, contact:

Joy Duva  
Director, Family Preservation  
Child Welfare League of America  
440 First Street, NW Suite 310  
Washington, D.C. 20001

/s



# CHILD WELFARE LEAGUE OF AMERICA, INC.

## FAMILY PRESERVATION REVOLVING LOAN FUND APPLICATION

### I INTRODUCTION

The Child Welfare League of America is promoting innovative service programs aimed at preserving families during crisis and preventing unnecessary placement of children into foster care. We refer to these programs as Family Preservation Services, though often called by several other names, e.g. home-based services, family-based services, preventive services, services to children in their own homes. The critical common elements of these programs are that the services focus on families rather than individuals and they deal only with families whose crisis is so severe that placement of the child is imminent. The social services delivered are intended to strengthen and maintain families and to prevent family dissolution and out-of-home placement of children. The resources of the agency are focused on assisting families in regaining or maintaining family autonomy.

The Child Welfare League is committed to facilitating the development and growth of Family Preservation Services as part of its goal for permanent families for all children. A major obstacle to the creation of these services that has been identified by agency administrators is the difficulty of obtaining funding for new program initiatives. These financial problems fall into four categories:

- o lack of initial funds
- o expansion funds
- o augmentation
- o dysfunctional purchase of service models

One strategy conceived for assisting agencies with the first three of the problems of financing mentioned above is to establish a loan fund to assist agencies with start-up or expansion costs. The Child Welfare League obtained funding from the Edna McConnell Clark Foundation for such a program. Low cost loans are now available to agencies interested in initiating or expanding Family Preservation Programs.

## II WHO CAN APPLY

### A. Agency Eligibility

All licensed public and private social service agencies are eligible to apply. However, preference will be given to CWLA members who submit a competitive proposal.

### B. Program Characteristics

Loans are available to agencies that have or will have programs providing innovative services to families in crisis where the family unity is threatened. The following programmatic characteristics are essential:

#### 1. Case selection

The program works primarily with families whose problems are so severe that placement of the child(ren) may be imminent. The program may also provide intensive services to families whose children are already in placement and who could possibly be returned with the provision of these services.

#### 2. Values

- a. Seeks to preserve the original continuity of the family within their community.
- b. Sees empowerment of the parents as a primary strategy. Seeks to build this independence, not create dependency on the agency.
- c. Believes people want to be good parents and that they have the capacity to change.
- d. Believes every family has an actual or potential natural helping network which should be developed and used to support them.

#### 3. Duration

- a. Services to families are of specific, brief, time-limited duration (not more than six months). They are not open ended.
- b. The family may need episodic rounds of brief therapy. Follow-up services are integral to service delivery.

#### 4. Intensity

- a. Agencies offer a wide array of skills and services including, but not limited to, counseling, homemaker, recreation, education, day care, etc. In some cases the agency can act as a broker, but as a rule, it should not broker all of its services.
- b. Services are given in frequency and amount needed.
- c. The family has open access to services; days, nights, weekends, holiday.
- d. Services are delivered at a time most convenient for the family, not the service provider.
- e. Because treatment is limited, problems are confronted immediately.

#### 5. Site

- a. Services are delivered in the most appropriate setting, for example the family home or immediate community sites are preferable. Little emphasis is placed on office visits.

#### 6. Advocacy

- a. The agency is committed to advocacy for their individual families and to larger systems changes which will have a beneficial effect on the family.

### III APPLICATION PROCEDURE

#### A. Revolving Fund

Loans will be provided in the amounts between \$50,000 to \$100,000 for the development of programs which conform to the characteristics stated in Section II. The loans must be repaid according to a schedule acceptable to The Child Welfare League with the total amount being returned within an eighteen month period. Priority in selection will be given to those applicants who display the most creativity and innovation in program scope and development; to those who have demonstrated their abilities to influence the services delivery programs in their areas; to those whose Boards of Directors are interested in quality service; and, to those who attract community support because of their commitment and interest in family preservation.

## B. Program Narrative

Applicants must submit a brief narrative summary describing their program model. The applicant must demonstrate how their model meets the service delivery philosophy described in the introduction and the program characteristics identified in Section II, B. The summary should be no more than ten pages and should follow the outline below:

1. A mission statement or program philosophy including a statement of goals and objectives.
2. Detailed program description, including services to be delivered, program size, location, client or target population and number of families to be served.
3. Program operation including staffing, scheduled start-up and implementation, outreach strategies, etc.
4. Evaluation procedures to be used and data to be collected. At minimum the information collected should include the number of families and children served, client characteristics, presenting problems, types of services delivered, length of service, units of service, number of children placed, reasons for termination and service outcomes.
5. Projected program budget including all present (if any) and anticipated sources of funding for the support of the program.

## IV TERMS AND CONDITIONS OF LOAN

### A. Agency Obligations

The agency must demonstrate a sound financial capacity to repay the loan. A promissory note must be signed by persons authorized to execute such a role. This signature authority must be verified.

### B. Amount and Interest Rate

Loans are available in the range of \$50,000 to \$100,000 to be repaid within twelve to eighteen months. The interest rate is not more than 1/2 of the prime rate.

### C. Financial Statement

The agency must submit the following documentation:

1. A detailed plan describing the anticipated source of funds for repayment of the loan.
2. The probability and contingencies attached to receiving anticipated funds, possible alternative sources of funding, etc.
3. Include a copy of the bylaws or regulation that authorizes individual to sign the promissory note.
4. The agency's last three audited financial statements and three credit references, one of which should be the bank with whom the agency does business.
5. A copy of the agency's last IRS Form 990, United States Return of Organizations Exempt from Income Tax.
6. A copy of the letter from IRS showing the agency's tax exempt status.

D. Repayment schedule

This will be arranged with the agency at the time the loan is made.

V APPLICATION REVIEW PROCEDURES

Loan applications will be reviewed as they are submitted. The project has sufficient funds to make four to eight loans during 1987, depending on size. Subsequent loans will be available as the initial loans are repaid. All applications will be reviewed for completeness of required materials. The agency will be notified if additional material needs to be submitted. The complete application will be reviewed by staff for program content and, if the program meets the established criteria, the application will then be reviewed by a person with financial expertise to determine the agency's ability to repay the loan. All eligible applications will then be reviewed by a Committee established by the Child Welfare League for the purpose of assisting staff in making loan determinations. Both program design and financial credibility will be considered in the selection process. Agencies will be notified of their status at the end of the review process.

The application should be sent to:

Joy Duva, Director, Family Preservation  
Child Welfare League of America  
440 First Street, NW Suite 310  
Washington, D.C. 20001  
(202)638-2952

If you have questions, please contact the project at the above address.